



**FORM REW-4**  
MAINE REVENUE SERVICES  
Income/Estate Tax Division - REW  
P.O. Box 1068  
Augusta, ME 04332-1068  
Tel. 207-626-8473  
Fax 207-287-4028

**NOTIFICATION TO BUYER(S) OF WITHHOLDING TAX REQUIREMENT**

36 MRSA, §5250-A provides that every buyer of real property in Maine must withhold tax in an amount equal to 2.5% of the consideration. Any buyer who fails to withhold the tax is personally liable for the tax. The withholding required by §5250-A must be transmitted to the Executive Director within 30 days of the transfer of the real property. A buyer is **not** required to withhold tax if:

- (a) The seller furnishes the buyer with a certificate stating that, under penalty of perjury, as of the date of the transfer, the seller is a resident of the State of Maine;
- (b) The seller or the buyer has received from the Executive Director a certificate stating that no tax is due on the gain from the transfer or that the seller has provided adequate security to cover the liability;
- (c) The consideration from the property is less than \$50,000;
- (d) Written notification of the withholding requirements of 36 MRSA, §5250-A has not been provided to the buyer, or;
- (e) The seller is the State or an agency or a political subdivision of the State, the Federal Government or an agency of the Federal Government, an organization exempt from income taxes pursuant to the Code, Section 501(a), an insurance company exempt from the tax imposed by this Part or a business entity referred to in Title 24-A, section 1157, subsection 5, paragraph B, subparagraph (1) that is exempt from the tax imposed by this part.
- (f) The property is being transferred pursuant to a foreclosure sale when the consideration paid does not exceed the debt secured by the property held by a mortgagee or lien holder, or a mortgagor conveys the property to a mortgagee in lieu of foreclosure and with no additional consideration.

The undersigned buyer(s) acknowledge(s) receipt of this notification of the withholding tax requirements of 36 MRSA, §5250-A.

BUYER(S):



By: \_\_\_\_\_

Title: \_\_\_\_\_